

E-FILED July 10, 2009

Jeffrey R. Sylvester, Esq. (Nevada Bar No. 4396)  
 James B. MacRobbie, Esq. (Nevada Bar No. 7430)  
 SYLVESTER & POLEDNAK, LTD.  
 7371 Prairie Falcon Road, Suite 120  
 Las Vegas, Nevada 89128  
 Telephone: (702) 952-5200  
 Facsimile: (702) 952-5205  
[jeff@sylvesterpolednak.com](mailto:jeff@sylvesterpolednak.com)  
[james@sylvesterpolednak.com](mailto:james@sylvesterpolednak.com)

Van C. Durrer, II, Esq. (Admitted *Pro Hac Vice*)  
 Ramon M. Naguiat, Esq. (Admitted *Pro Hac Vice*)  
 SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP  
 300 South Grand Avenue, #3400  
 Los Angeles, California 90071-3144  
 Telephone: (213) 687-5000  
 Facsimile: (213) 687-5600  
[van.durrer@skadden.com](mailto:van.durrer@skadden.com)  
[ramon.naguiat@skadden.com](mailto:ramon.naguiat@skadden.com)

*Attorneys for Creditor Credit Suisse, Cayman Islands Branch*

# UNITED STATES BANKRUPTCY COURT

## DISTRICT OF NEVADA

In re:

THE RHODES COMPANIES, LLC, aka  
 "Rhodes Homes," et al.,<sup>1</sup>

Debtors.

Case No. BK-S-09-14814-LBR  
 (Jointly Administered)

Chapter 11

Affects:

- ☒ All Debtors  
☐ The following Debtor(s)

Date: July 17, 2009

Time: 1:30 p.m.

Judge: Honorable Linda B. Riegler

<sup>1</sup> The "Debtors" in these cases, along with their case numbers are: Heritage Land Company, LLC (Case No. 09-14778); The Rhodes Companies, LLC (Case No. 09-14814); Tribes Holdings, LLC (Case No. 09-14817); Apache Framing, LLC (Case No. 09-14818); Geronimo Plumbing LLC (Case No. 09-14820); Gung-Ho Concrete LLC (Case No. 09-14822); Bravo, Inc. (Case No. 09-14825); Elkhorn Partners, a Nevada limited partnership (Case No. 09-14828); Six Feathers Holdings, LLC (Case No. 09-14833); Elkhorn Investments, Inc. (Case No. 09-14837); Jarupa, LLC (Case No. 09-14839); Rhodes Realty, Inc. (Case No. 09-14841); C&J Holdings, Inc. (Case No. 09-14843); Rhodes Ranch General Partnership (Case No. 09-14844); Rhodes Design and Development Corporation (Case No. 09-14846); Parcel 20, LLC (Case No. 09-14848); Tuscany Acquisitions IV, LLC (Case No. 09-14849); Tuscany Acquisitions III, LLC (Case No. 09-14850); Tuscany Acquisitions II, LLC (Case No. 09-14852); Tuscany Acquisitions, LLC (Case No. 09-14853); Rhodes Ranch Golf Country Club, LLC (Case No. 09-14854); Overflow, LP (Case No. 09-14856); Wallboard, LP (Case No. 09-14858); Jackknife, LP (Case No. 09-14860); Batcave, LP (Case No. 09-14861); Chalkline, LP (Case No. 09-14862); Glynda, LP (Case No. 09-14865); Tick, LP (Case No. 09-14866); Rhodes Arizona Properties, LLC (Case No. 09-14868); Rhodes Homes Arizona, LLC (Case No. 09-14882); Tuscany Golf Country Club (Case No. 09-14884); and Pinnacle Grading, LLC (Case No. 09-14887).

**OBJECTION TO AND JOINDER IN FIRST LIEN STEERING COMMITTEE'S OBJECTION  
TO DEBTORS' EMERGENCY MOTION FOR AN ORDER EXTENDING CASH  
COLLATERAL TERMINATION DATE**

Credit Suisse, Cayman Islands Branch ("Credit Suisse"), as agent for the lenders under the first lien Credit Agreement dated November 21, 2005 (as amended, the "First Lien Credit Agreement") and for other Secured Parties (as defined in the First Lien Credit Agreement) (collectively with the lenders under the First Lien Credit Agreement, the "First Lien Lenders"), hereby (1) objects to the Debtors' Emergency Motion for an Order Extending Cash Collateral Termination Date (the "Motion") [**Docket No. 236**] filed by the above-captioned debtors (the "Debtors"); and (2) joins in the objection [**Docket No. 313**] to the Motion (the "First Lien Steering Committee Objection") filed by the steering committee comprised of certain lenders under the First Lien Credit Agreement (the "First Lien Steering Committee").<sup>2</sup>

**OBJECTION**

By the Motion, the Debtors seek to extend their use of the First Lien Lenders' cash collateral. As discussed in the First Lien Steering Committee Objection, the Debtors cannot meet their burden of demonstrating that the First Lien Lenders' interests are adequately protected under the circumstances. Accordingly, the Debtors cannot be allowed to use the First Lien Lenders' cash collateral absent consent.

As the Court is aware, the Debtors have separately requested an extension of the exclusive periods (the "Exclusive Periods") during which they may file a plan and solicit acceptances thereof through and including October 28, 2009 and December 27, 2009, respectively. Credit Suisse has objected, and joined in the First Lien Steering Committee's objection, to that request.

In good faith, the First Lien Lenders have previously consented to the use of their cash collateral while parties in interest pursued negotiations regarding a potential global resolution

---

<sup>2</sup> In reviewing the Objection and Joinder, Credit Suisse respectfully requests that this Court take judicial notice of its entire docket herein. It is well-established that this Court can take judicial notice of matters contained within its own files. Fed. R. Bankr. Pro. 9017 incorporating Fed. R. Evid. 201; U.S. v. Wilson, 631 F.2d 118, 119 (9<sup>th</sup> Cir. 1980); In re Blumer, 95 B.R. 143, 146 (9<sup>th</sup> Cir. B.A.P. 1988); In re Rogers, 278 B.R. 201, 204 (Bankr. D. Nev. 2002).

1 of these chapter 11 cases. No such global resolution has been reached at this time, but certain  
 2 parties in interest are continuing negotiations regarding a potential resolution of these cases.  
 3 Although Credit Suisse is hopeful that a satisfactory global consensual resolution of these  
 4 bankruptcy cases can ultimately be reached, it is unwilling at this time to consent to further use  
 5 of cash collateral. If the Exclusive Periods are allowed to lapse and other parties are thereby  
 6 afforded the opportunity to propose a plan, further use of cash collateral on a consensual basis  
 7 may be available.

### 8 CONCLUSION

9 For the foregoing reasons and those set forth in the First Lien Steering Committee Objection,  
 10 Credit Suisse respectfully requests that the Court deny the Motion and grant Credit Suisse such  
 11 other and further relief as is appropriate under the circumstances.

12 DATED this 9<sup>th</sup> day of July, 2009.

13 By: 

14 SYLVESTER & POLEDNAK, LTD.  
 15 Jeffrey R. Sylvester (Nevada Bar No. 4396)  
 16 James B. MacRobbie (Nevada Bar No. 7430)  
 17 7371 Prairie Falcon Road, Suite 120  
 18 Las Vegas, Nevada 89128  
 19 Telephone: (702) 952-5200  
 Facsimile: (702) 952-5205  
jeff@sylvesterpolednak.com  
james@sylvesterpolednak.com

20 and

21 SKADDEN, ARPS, SLATE,  
 22 MEAGHER & FLOM LLP  
 23 Van C. Durrer, II, Esq. (admitted *pro hac vice*)  
 24 Ramon M. Naguiat, Esq. (admitted *pro hac vice*)  
 25 300 South Grand Avenue, Suite 3400  
 Los Angeles, California 90071-3144  
 Telephone: (213) 687-5000  
 Facsimile: (213) 687-5600  
van.durrer@skadden.com  
ramon.naguiat@skadden.com

26 *Attorneys for Creditor Credit Suisse, Cayman Islands Branch*

SYLVESTER & POLEDNAK, LTD.  
 7371 Prairie Falcon Rd., Suite 120  
 Las Vegas, Nevada 89128  
 Phone (702) 952-5200

**CERTIFICATE OF SERVICE**

1. On July 10, 2009, I served the following document(s) (*specify*):

**OBJECTION TO AND JOINDER IN FIRST LIEN STEERING COMMITTEE'S  
OBJECTION TO DEBTORS' EMERGENCY MOTION FOR AN ORDER  
EXTENDING CASH COLLATERAL TERMINATION DATE**

2. I served the above-named document(s) by the following means to the persons as listed below:

*(Check all that apply)*

☒ a. **ECF System (*You must attach the Notice of Electronic Filing, or list all persons and addresses and attach additional pages if necessary*)**

JAMES I. STANG and SHIRLEY S. CHO on behalf of Debtor THE RHODES COMPANIES, LLC, aka "Rhodes Homes," et al.  
[jstang@pszjlaw.com](mailto:jstang@pszjlaw.com); [scho@pszjlaw.com](mailto:scho@pszjlaw.com)

ZACHARIAH LARSON on behalf of Debtor APACHE FRAMING, LLC  
[ecf@lslawnv.com](mailto:ecf@lslawnv.com); [susans@lslawnv.com](mailto:susans@lslawnv.com); [laurar@lslawnv.com](mailto:laurar@lslawnv.com)

BRETT A. AXELROD on behalf of Creditor SAGEBRUSH ENTERPRISES, INC.  
[lvecffilings@gtlaw.com](mailto:lvecffilings@gtlaw.com); [axelrodb@gtlaw.com](mailto:axelrodb@gtlaw.com); [koisp@gtlaw.com](mailto:koisp@gtlaw.com);  
[dittrichr@gtlaw.com](mailto:dittrichr@gtlaw.com); [lvlitdock@gtlaw.com](mailto:lvlitdock@gtlaw.com)

JANET L. CHUBB on behalf of Creditor COMMERCE ASSOCIATES, LLC  
[tbw@jonesvargas.com](mailto:tbw@jonesvargas.com)

DAVID A. COLVIN on behalf of Creditor DANA KEPNER COMPANIES, LLC  
[mwalters@marquisaurbach.com](mailto:mwalters@marquisaurbach.com); [dcolvin@marquisaurbach.com](mailto:dcolvin@marquisaurbach.com);  
[kgallegos@marquisaurbach.com](mailto:kgallegos@marquisaurbach.com); [tszostek@marquisaurbach.com](mailto:tszostek@marquisaurbach.com)

RICHARD I. DREITZER on behalf of Creditor Inc. Integrity Masonry  
[Richard.dreitzer@bullivant.com](mailto:Richard.dreitzer@bullivant.com)

REW R. GOODENOW on behalf of Creditor CREDITORS COMMITTEE  
[ecf@parsonsbehle.com](mailto:ecf@parsonsbehle.com)

KIRBY C. GRUCHOW on behalf of Creditor NEVADA POWER COMPANY  
[hkelley@leachjohnson.com](mailto:hkelley@leachjohnson.com)

RODNEY M. JEAN and SUSAN L. MYERS on behalf of Creditor CREDIT  
SUISSE, CAYMAN ISLANDS BRANCH  
[rjean@lionelsawyer.com](mailto:rjean@lionelsawyer.com); [smyers@lionelsawyer.com](mailto:smyers@lionelsawyer.com);  
[gbagley@lionelsawyer.com](mailto:gbagley@lionelsawyer.com); [bklscly@lionelsawyer.com](mailto:bklscly@lionelsawyer.com);  
[mstow@lionelsawyer.com](mailto:mstow@lionelsawyer.com); [mtieu@lionelsawyer.com](mailto:mtieu@lionelsawyer.com);

BART K. LARSEN on behalf of Creditor REEF COLONIAL, LLC  
[blarsen@lawrsen.com](mailto:blarsen@lawrsen.com); [jierien@lawrosen.com](mailto:jierien@lawrosen.com); [msoderquist@lawrosen.com](mailto:msoderquist@lawrosen.com)

SYLVESTER & POLEDNAK, LTD.  
7371 Prairie Falcon Rd., Suite 120  
Las Vegas, Nevada 89128  
Phone (702) 952-5200

SYLVESTER & POLEDNAK, LTD.  
7371 Prairie Falcon Rd., Suite 120  
Las Vegas, Nevada 89128  
Phone (702) 952-5200

NILE LEATHAM and TIMOTHY P. THOMAS on behalf of Creditor  
STEERING COMMITTEE OF SENIOR SECURED LENDERS  
[nleatham@klnevada.com](mailto:nleatham@klnevada.com); [tthomas@klnevada.com](mailto:tthomas@klnevada.com); [ckishi@klnevada.com](mailto:ckishi@klnevada.com);  
[dhoule@klnevada.com](mailto:dhoule@klnevada.com); [bankruptcy@klnevada.com](mailto:bankruptcy@klnevada.com)

EDWARD M. McDONALD on behalf of U.S. Trustee - LV-11  
[Edward.m.mcdonald@usdoj.gov](mailto:Edward.m.mcdonald@usdoj.gov)

JEFFREY D. OLSTER on behalf of Creditor HARSCH INVESTMENT  
PROPERTIES – NEVADA, LLC  
[olster@lbbslaw.com](mailto:olster@lbbslaw.com); [giovig@lbbslaw.com](mailto:giovig@lbbslaw.com); [gwhited@lbbslaw.com](mailto:gwhited@lbbslaw.com)

MARK R. SOMERSTEIN on behalf of Creditor WELLS FARGO BANK,  
N.A.  
[mark.somerstein@ropesgray.com](mailto:mark.somerstein@ropesgray.com)

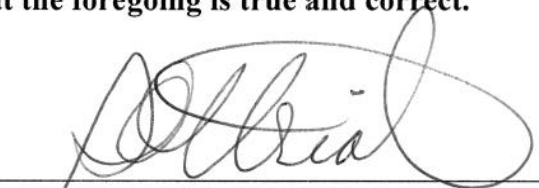
DONALD H. WILLIAMS on behalf of Creditor WESTAR KITCHEN &  
BATH, LLC  
[donaldhwilliamslaw@gmail.com](mailto:donaldhwilliamslaw@gmail.com); [taylor sellers@gmail.com](mailto:taylor sellers@gmail.com)

U.S. TRUSTEE – LV – 11  
[USTPRegion17.lv.ecf@usdoj.gov](mailto:USTPRegion17.lv.ecf@usdoj.gov)

- ☒ b. **United States Mail, first class, postage fully prepaid addressed to those listed on the attached “Rhodes Homes Service List”**
- ☐ c. *Personal Service (List persons and address. Attach additional pages if necessary)*
- ☐ d. *By direct email (as opposed to through the ECF System) (List persons and email addresses. Attach additional pages if necessary)*
- ☐ e. *By fax transmission (List persons and fax numbers. Attach additional pages if necessary)*
- ☐ f. *By messenger (List persons and address. Attach additional pages if necessary)*

**I declare under penalty of perjury that the foregoing is true and correct.**

Dated this 10<sup>th</sup> day of July, 2009.

  
An employee of SYLVESTER & POLEDNAK, LTD.

**RHODES HOMES SERVICE LIST**

**Office of the United States Trustee**

Attn: August B. Landis  
300 Las Vegas Blvd. South, Suite 4300  
Las Vegas, Nevada 89101  
(Fax) 702 388-6658

The Internal Revenue Service, District Director  
Special Procedures  
Attn: Bankruptcy Unit  
4750 West Oakey  
Las Vegas, NV 89102

**Counsel to the Official Committee of Unsecured Creditors  
(and Request for Special Notice)**

Rew R. Goodenow  
Karl Y. Olseon  
Parsons Behle & Latimer  
50 West Liberty St., Ste. 750  
Reno, NV 89501  
(Fax) 775-348-7250

J. Thomas Beckett  
David P. Billings  
Parsons Behle & Latimer  
One Utah Center  
201 South Main Street, Suite 1800  
Salt Lake City, UT 84111  
(Fax) 801-536-6111

**Counsel to James M. Rhodes and Sagebrush Enterprises, Inc.**

Brett A. Axelrod  
Greenberg Traurig, LLP  
3773 Howard Hughes Parkway  
Suite 400 North  
Las Vegas, NV 89169  
(Fax) 702.792.9002

**Counsel to The Steering Committee of 1<sup>st</sup> Lien Lenders**

Ira Dizengoff and Phillip Dublin  
AKIN GUMP STRAUSS HAUER & FELD LLP  
One Bryant Park  
New York, NY 10036  
(Fax) 212.872.1002

Nile Leatham  
Timothy P. Thomas, Esq.  
KOLESAR & LEATHAM  
Wells Fargo Financial Center  
3320 W. Sahara Ave.  
Las Vegas, NV 89102  
(Fax) 702-362-9472

**Counsel to the Administrative Agent for the Second Lien Lenders**

Mark Somerstein  
Don Demakis  
Ben Schneider  
Ropes & Gray LLP  
1211 Avenue of the Americas  
New York, NY 10036  
(Fax) 212-596-9090

**Administrative Agent to the First Lien Lenders**

CREDIT SUISSE LOAN FUNDING LLC  
Attn: Tom Lynch  
Eleven Madison Avenue, 9th Floor  
New York NY 10010  
(Fax) 212-538-7460

**Administrative Agent to the Second Lien Lenders**

Wells Fargo Bank, National Association  
Attn: David Bergstrom  
625 Marquette Ave.  
Mac N9311-110  
Minneapolis, MN 55479  
(Fax) 612-667-9825

**Counsel to the Administrative Agent for the First Lien Lenders**

Van C. Durrer II  
Ramon M. Naguiat  
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP  
300 South Grand Avenue, #3400  
Los Angeles, CA 90071-3144  
(Fax) 213-687-5600

**Request For Special Notice**

**Counsel to Commerce Associates LLC**

Janet L. Chubb, Esq.  
Michael E. Buckley, Esq.  
JONES VARGAS  
100 West Liberty Street, 12th Floor  
P.O. Box 281  
Reno, NV 89504-0281  
(Fax) 775-786-1177

Ms. Janine Guthrie  
1225 Monterey Street  
Redlands, CA 92373

**Counsel to Claimant Westar Kitchen & Bath, LLC**

Donald H. Williams, Esq.  
Williams & Wiese  
612 South Tenth Street  
Las Vegas, NV 89101  
(Fax) 702-320-7760

**Counsel for Creditor Integrity Masonry, Inc.**

Richard I. Dreitzer, Esq.  
Bullivant Houser Bailey PC  
3980 Howard Hughes Pkwy., Ste. 550  
Las Vegas, NV 89169

**Counsel for Reef Colonial, LLC**

Bart K. Larsen, Esq.  
6725 Via Austi Parkway, Ste. 200  
Las Vegas, NV 89119  
(Fax) 702-385-3025